

2001 ASSEMBLY BILL 742

1 **AN ACT** *to repeal* 108.142 (1e), 108.143 and 108.18 (3s); *to amend* 20.445 (1) (nc),
2 108.05 (7) (a) 1., 108.06 (1), 108.06 (1), 108.06 (2) (c), 108.06 (2) (c), 108.06 (2)
3 (cm), 108.06 (2) (cm), 108.06 (6) (intro.), 108.06 (6) (intro.) and 108.161 (3e); *to*
4 **create** 108.142 (1e), 108.143 and 108.18 (3s) of the statutes; and *to affect* 2001
5 Wisconsin Act 35, section 72 (1) (b); **relating to:** temporary supplemental
6 unemployment insurance benefits and certain other changes to the
7 unemployment insurance law.

Analysis by the Legislative Reference Bureau

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

8 **SECTION 1.** 20.445 (1) (nc) of the statutes is amended to read:
9 20.445 (1) (nc) *Unemployment insurance administration; special federal*
10 *moneys.* All moneys received from the federal government under section 903 of the

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1 federal Social Security Act, as amended, ~~as authorized by the governor under s.~~
2 ~~16.54~~, for federal fiscal years 2000, and 2001 and the first \$2,389,107 of the moneys
3 received from the federal government under that act for federal fiscal year 2002, as
4 authorized by the governor under s. 16.54, to be used for administration of
5 unemployment insurance.

6 **SECTION 2.** 108.05 (7) (a) 1. of the statutes, as affected by 2001 Wisconsin Act
7 35, is amended to read:

8 108.05 (7) (a) 1. “Pension payment” means a pension, retirement, annuity, or
9 other similar payment made to a claimant, based on the previous work of that
10 claimant, whether or not payable on a periodic basis, from a governmental or other
11 retirement system maintained or contributed to by an employer from which that
12 claimant has base period wages, other than a payment received under the federal
13 Social Security Act (42 USC 301 et seq.) that is based in whole or in part upon taxes
14 paid by the claimant.

15 **SECTION 3.** 108.06 (1) of the statutes is amended to read:

16 108.06 (1) Except as provided in sub. (6) and ss. 108.141 ~~and~~, 108.142, and
17 108.143, no claimant may receive total benefits based on employment in a base
18 period greater than 26 times the claimant’s weekly benefit rate under s. 108.05 (1)
19 or 40% of the claimant’s base period wages, whichever is lower. Except as provided
20 in sub. (6) and ss. 108.141 ~~and~~, 108.142, and 108.143, if a claimant’s base period
21 wages are reduced or canceled under s. 108.04 (5), ~~(7)~~, ~~(8) (a)~~ or (18), or suspended
22 under s. 108.04 (1) (f), (10) (a), ~~or~~ (17), the claimant may not receive total benefits
23 based on employment in a base period greater than 26 times the claimant’s weekly
24 benefit rate under s. 108.05 (1) or 40% of the base period wages not reduced, canceled
25 or suspended which were paid or payable to the claimant, whichever is lower.

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1 **SECTION 4.** 108.06 (1) of the statutes, as affected by 2001 Wisconsin Act ... (this
2 act), is amended to read:

3 108.06 **(1)** Except as provided in sub. (6) and ss. 108.141, and 108.142, ~~and~~
4 ~~108.143~~, no claimant may receive total benefits based on employment in a base
5 period greater than 26 times the claimant's weekly benefit rate under s. 108.05 (1)
6 or 40% of the claimant's base period wages, whichever is lower. Except as provided
7 in sub. (6) and ss. 108.141, and 108.142, ~~and 108.143~~, if a claimant's base period
8 wages are reduced or canceled under s. 108.04 (5) or (18), or suspended under s.
9 108.04 (1) (f), (10) (a), or (17), the claimant may not receive total benefits based on
10 employment in a base period greater than 26 times the claimant's weekly benefit rate
11 under s. 108.05 (1) or 40% of the base period wages not reduced, canceled or
12 suspended which were paid or payable to the claimant, whichever is lower.

13 **SECTION 5.** 108.06 (2) (c) of the statutes is amended to read:

14 108.06 **(2)** (c) No benefits are payable to a claimant for any week of
15 unemployment not occurring during the claimant's benefit year except under ss.
16 108.141 ~~and~~, 108.142, and 108.143.

17 **SECTION 6.** 108.06 (2) (c) of the statutes, as affected by 2001 Wisconsin Act ...
18 (this act), is amended to read:

19 108.06 **(2)** (c) No benefits are payable to a claimant for any week of
20 unemployment not occurring during the claimant's benefit year except under ss.
21 108.141, and 108.142, ~~and 108.143~~.

22 **SECTION 7.** 108.06 (2) (cm) of the statutes is amended to read:

23 108.06 **(2)** (cm) If an employee qualifies to receive benefits using the base period
24 described in s. 108.02 (4) (b), the wages used to compute the employee's benefit

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1 entitlement are not available for use in any subsequent benefit computation for the
2 same employee, except under s. 108.141 ~~or~~, 108.142, or 108.143.

3 **SECTION 8.** 108.06 (2) (cm) of the statutes, as affected by 2001 Wisconsin Act
4 (this act), is amended to read:

5 108.06 (2) (cm) If an employee qualifies to receive benefits using the base period
6 described in s. 108.02 (4) (b), the wages used to compute the employee's benefit
7 entitlement are not available for use in any subsequent benefit computation for the
8 same employee, except under s. 108.141, or 108.142, or 108.143.

9 **SECTION 9.** 108.06 (6) (intro.) of the statutes is amended to read:

10 108.06 (6) (intro.) If a claimant has established a benefit year prior to the
11 effective date of any increase in the maximum weekly benefit rate provided under
12 s. 108.05 (1), the claimant has not exhausted his or her total benefit entitlement
13 under sub. (1) for that benefit year on that effective date, and the claimant was
14 entitled to receive the maximum weekly benefit rate under s. 108.05 (1) that was in
15 effect prior to that effective date, the limitation on the total benefits authorized to
16 be paid to a claimant under sub. (1) does not apply to that claimant in that benefit
17 year. Unless s. 108.141 ~~or~~, 108.142, or 108.143 applies, the claimant's remaining
18 benefit entitlement in that benefit year for the period beginning on that effective date
19 shall be computed by:

20 **SECTION 10.** 108.06 (6) (intro.) of the statutes, as affected by 2001 Wisconsin
21 Act (this act), is amended to read:

22 108.06 (6) (intro.) If a claimant has established a benefit year prior to the
23 effective date of any increase in the maximum weekly benefit rate provided under
24 s. 108.05 (1), the claimant has not exhausted his or her total benefit entitlement
25 under sub. (1) for that benefit year on that effective date, and the claimant was

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1 entitled to receive the maximum weekly benefit rate under s. 108.05 (1) that was in
2 effect prior to that effective date, the limitation on the total benefits authorized to
3 be paid to a claimant under sub. (1) does not apply to that claimant in that benefit
4 year. Unless s. 108.141, or 108.142, ~~or 108.143~~ applies, the claimant's remaining
5 benefit entitlement in that benefit year for the period beginning on that effective date
6 shall be computed by:

7 **SECTION 11.** 108.142 (1e) of the statutes is created to read:

8 108.142 (1e) SUSPENSION. No Wisconsin supplemental benefits may be paid for
9 any week of unemployment beginning earlier than January 26, 2003.

10 **SECTION 12.** 108.142 (1e) of the statutes, as created by 2001 Wisconsin Act ...
11 (this act), is repealed.

12 **SECTION 13.** 108.143 of the statutes is created to read:

13 **108.143 Temporary supplemental benefits. (1) DEFINITIONS.** In this
14 section:

15 (a) "Eligibility period" means the period consisting of the weeks in an
16 individual's benefit year that begin in a temporary supplemental benefit period and,
17 if an individual's benefit year ends within a temporary supplemental benefit period,
18 any week thereafter that begins in a temporary supplemental benefit period in which
19 an individual would have remaining benefit entitlement under this section if the
20 week had begun in the individual's benefit year.

21 (b) "Exhaustee" means an individual who, with respect to any week of
22 unemployment in his or her eligibility period:

23 1. Has received, prior to that week, in his or her benefit year which includes
24 that week, all of the regular benefits that were potentially payable to that individual
25 under state or federal law, including dependents' allowances, or is precluded from

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1 receiving regular benefits by reason of the law of another state which meets the
2 requirement of 26 USC 3304 (a) (7);

3 2. Lacks sufficient base period wages under s. 108.04 (4) (a) or employment or
4 other work under s. 108.04 (4) (c) to establish a benefit year under s. 108.06
5 subsequent to a benefit year which expired prior to that week, and in the temporary
6 supplemental benefit period which includes that week;

7 3. Has no right to unemployment assistance under the Railroad
8 Unemployment Insurance Act or other federal laws as are specified in regulations
9 of the federal department of labor, and has not received and is not applying for
10 unemployment insurance under the laws of Canada, unless the individual is
11 applying for that insurance and the appropriate Canadian agency finally determines
12 that he or she is not entitled to that insurance; and

13 4. Is not eligible to receive for that week and was not eligible to receive for any
14 earlier week in his or her eligibility period extended benefits under s. 108.141 or
15 other supplemental unemployment assistance funded in whole or in part by the
16 federal government that is determined by the secretary of workforce development to
17 serve as an unemployment insurance benefit program.

18 (c) “Regular benefits” means unemployment insurance benefits payable to an
19 individual under state law or federal law, including benefits payable to federal
20 civilian employees and to ex-servicemen under 5 USC ch. 85, other than extended
21 benefits under s. 108.141, federal supplemental compensation, and Wisconsin
22 supplemental benefits under s. 108.142.

23 (d) “State law” means the unemployment insurance law of any state, approved
24 by the federal secretary of labor under 26 USC 3304.

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1 (e) “Temporary supplemental benefit period” means the period beginning on
2 March 3, 2002, and ending on December 28, 2002.

3 (f) “Temporary supplemental benefits” means benefits payable to an individual
4 under this section for weeks of unemployment in his or her eligibility period.

5 **(2)** ELIGIBILITY REQUIREMENTS FOR TEMPORARY SUPPLEMENTAL BENEFITS. An
6 individual is eligible to receive temporary supplemental benefits for any week of
7 unemployment beginning on or after March 3, 2002, and ending on or before
8 December 28, 2002, if:

9 (a) That week is in the individual’s eligibility period;

10 (b) The individual established a benefit year which began on or after
11 March 11, 2001;

12 (c) The individual is an exhaustee; and

13 (d) The individual is not disqualified and has satisfied the other requirements
14 of this chapter for the payment of regular benefits.

15 **(3)** RECEIPT OF REGULAR BENEFITS. For purposes of this section, an individual
16 is considered to have received all regular benefits that were available to the
17 individual in his or her benefit year which includes any week of unemployment in
18 his or her eligibility period notwithstanding that:

19 (a) The individual may subsequently be determined to be entitled to additional
20 regular benefits as a result of a pending appeal under s. 108.09 or 108.10 which were
21 not included in the determination or decision under appeal; or

22 (b) The individual is precluded from receiving regular benefits by reason of a
23 seasonal limitation in the law of another state.

24 **(4)** WEEKLY TEMPORARY SUPPLEMENTAL BENEFIT RATE. The weekly temporary
25 supplemental benefit rate payable to a claimant for a week of total unemployment

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1 is the same as the rate payable to the claimant for regular benefits during his or her
2 most recent benefit year as determined under s. 108.05 (1). No subsequent
3 adjustment of the benefit rates in the schedules under s. 108.05 (1) applies to benefits
4 payable under this section.

5 **(5) MAXIMUM TEMPORARY SUPPLEMENTAL BENEFIT ENTITLEMENT.** No claimant may
6 receive total temporary supplemental benefits greater than the lesser of:

7 (a) Fifty percent of the amount of regular benefits that were payable to the
8 claimant in the claimant's most recent benefit year, rounded down to the nearest
9 dollar; or

10 (b) Eight times the claimant's weekly temporary supplemental benefit rate.

11 **(6) EFFECT OF OTHER PROVISIONS OF THIS CHAPTER.** The provisions of this chapter
12 which apply to claims for, or the payment of, regular benefits apply to claims for, and
13 the payment of, temporary supplemental benefits, except when the result would be
14 inconsistent with other provisions of this chapter.

15 **(7) CHARGES OF BENEFITS.** The department shall charge to the fund's balancing
16 account the cost of temporary supplemental benefits paid to a claimant that are
17 otherwise chargeable to the account of an employer that is subject to the contribution
18 requirements of ss. 108.17 and 108.18. The department shall charge the cost of
19 temporary supplemental benefits based upon employment by an employer that is not
20 subject to the contribution requirements of ss. 108.17 and 108.18 in accordance with
21 s. 108.07 (5).

22 **SECTION 14.** 108.143 of the statutes, as created by 2001 Wisconsin Act ... (this
23 act), is repealed.

24 **SECTION 15.** 108.161 (3e) of the statutes is amended to read:

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1 108.161 **(3e)** Notwithstanding sub. (3), any moneys allocated under section 903
2 of the federal Social Security Act, as amended, for federal fiscal years 2000, and 2001
3 and the first \$2,389,107 of any distribution received by this state under section 903
4 of that act in federal fiscal year 2002 shall be used solely for unemployment
5 insurance administration.

6 **SECTION 16.** 108.18 (3s) of the statutes is created to read:

7 108.18 **(3s)** SUSPENSION OF SCHEDULE CHANGES. Notwithstanding sub. (3m), the
8 schedule in effect under sub. (3m) for the 2003 calendar year is the same schedule
9 that was in effect under sub. (3m) for the 2002 calendar year.

10 **SECTION 17.** 108.18 (3s) of the statutes, as created by 2001 Wisconsin Act ...
11 (this act), is repealed.

12 **SECTION 18.** 2001 Wisconsin Act 35, section 72 (1) (b) is amended to read:

13 [2001 Wisconsin Act 35] Section 72 (1) (b) Notwithstanding section ~~108.04~~
14 108.05 (7), 1999 stats., for each week of unemployment beginning in 2002, if a
15 claimant receives a payment under the federal Social Security Act (42 USC 301, et
16 seq.) that is contributed to by an employer from which the claimant has base period
17 wages, the reduction that applies to the benefits payable to the claimant for that
18 week is 50% of the amount that would otherwise apply for that week under section
19 ~~108.04~~ 108.05 (7), 1999 stats.

20 **SECTION 19. Nonstatutory provisions.**

21 (1) USE OF CERTAIN FEDERAL REED ACT DISTRIBUTIONS IN THE 2002 CALENDAR YEAR.
22 The council on unemployment insurance and the department of workforce
23 development may not include in any recommendations to the legislature during the
24 2002 calendar year the appropriation, other than the first \$2,389,107, of any

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1 distributions received by this state under section 903 of the federal Social Security
2 Act, as amended, in the 2002 calendar year.

3 **SECTION 20. Effective dates.** This act takes effect on the first Sunday after
4 publication, except as follows:

5 (1) The treatment of sections 108.06 (1) (by SECTION 4), (2) (c) (by SECTION 6) and
6 (cm) (by SECTION 8), and (6) (intro.) (by SECTION 10), 108.142 (1e) (by SECTION 12),
7 108.143 (by SECTION 14), and 108.18 (3s) (by SECTION 17) of the statutes takes effect
8 on January 1, 2004.

9 (END)